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THE INTERNATIONAL FORECASTER

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An international financial, economic, political and social commentary.

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NEXT ISSUE

SATURDAY, SEPTEMBER 22, 2007

RADIO APPEARANCES:

To check out all of our radio appearances click on this link below:

<http://www.theinternationalforecaster.com/radio.php>

Follow the Money with Pat Kiley - Monday & Wednesday - 7:00 to 8:00 p.m. CST on 7.465 short-wave

Discount Gold & Silver Trading Co.- Melody Cedarstrom – Mon., Wed., & Fri.

John Stadtmiller – Republic Broadcasting Network - Every Tues. at 5:00-7:00 pm EST

GoldSeekRadio – Every Wednesday

Pastor Butch Paugh – Genesis Communication Network – Mon. September 24th - 9 p.m. EST

Pat Gorman – Last appearance: Sunday, September 16th

Eli James – Rescheduled for November date pending

Dr. Stan Monteith - Thursday, September 21st – Tuesday, October 2nd and Thursday, October 19th

Erskine Overnight – Genesis Communication Network – October 13th

The Meria Heller Show – September 24th, October 23rd

Drew Raines – Every Friday

Rick Adams – Every third Wednesday, Sept. 19th – October 17th

From the Grassy Knoll Streams - Every Second Friday – October 12th

Richard Syrett – Every third Tuesday, October 16th, 11 p.m. EST

Bill Boshears – Every Tuesday at 8 p.m. ETS - www.realtalknet.com

Rudy Alfonso – Last: August 26th

Charles Goyette – KLFNX-Phoenix – Monday, October 1st

09-17-07

We recommend the following **SHORT POSITIONS**:

The first number is the price when we recommended it, the second is the current price and the third is the price to cover.

Amazon (AMZN) \$39.68, \$88.75, \$3.00;

Cisco (CSCO-OTC) \$18.24, \$32.04, \$11.04;

Citigroup (C) \$44.10, \$48.37, \$34.51;

Dell Computer (DELL-OTC) \$35.29, \$27.10, \$16.01;

Ethan Allen (ETH-NYSE) \$34.51, \$33.71, \$20.00;

Fannie Mae (FNM) \$66.68, \$62.54, Open

GE \$33.49, \$41.68, cover at \$12.00;

International Paper (IP-NYSE) \$39.46, \$35.64, \$26.31;

J.P. Morgan Chase (JPM) \$39.36, \$47.82, \$23.00 & \$12.00;

Lehman ABS 8.75 G-P (CKI-NYSE) formerly Georgia Pacific \$35.28, \$25.24, \$15.00;

Monsanto (MON-NYSE) \$35.66, \$77.88, \$16.00;

Time Warner (TWX-NYSE) \$16.13, \$18.66, \$12.00;

Temple-Inland (TIN-NYSE) \$66.62, \$53.72, \$42.17; stopped out – reset stop at \$45.00;

Weyerhaeuser (WY-NYSE) \$65.05, \$72.43, \$36.06.

Harley Davidson (HOG-NYSE) \$59.11, \$47.79, \$30.00.

We recommend putting on **PUTS or SHORTING** these stocks. They are:

D. R. Horton (DHI-NYSE) short at \$33.16, \$15.30, cover at \$13.64, or Open;

GM (GM-NYSE) short at \$41.31, \$35.77, \$30.80, Open;

Blackstone (BX-NYSE) short at \$38.00, \$24.55, possible cover at \$20.00, or lower.

Home Depot (HD-NYSE) short at \$38.94, \$36.36, cover at \$16.00;

IBM (NYSE) short at \$84.50, \$116.63, cover at \$70.00;
 JC Penny (JCP-NYSE) short at \$36.00, \$68.05, and cover at \$14.07;
 Lennar (LEN-NYSE) short at \$47.80, \$26.26, cover at \$24.88, or Open
 Proctor & Gamble (PG-NYSE) short at \$54.24, \$68.68, \$40.00;
 Pulte Homes (PHM-NYSE) short at \$61.52, \$17.10, cover at \$25.19, or Open;
 Ryland Group (RYL-NYSE) \$91.90, \$26.96, \$36.00, or Open;
 Standard Pacific (SPF-NYSE) short at \$55.78, \$9.48, cover at \$13.31, or Open;
 Target (TGT-NYSE) short at \$45.82, \$67.28, and cover at \$24.90;
 Toll Brothers (TOL-NYSE) \$46.35, \$22.72, \$16.50, or Open;
 Tyco (TYC-NYSE) short at \$30.04, \$44.49, cover at \$9.00;
 United Health Care Group (UNH-NYSE) short at \$73.50, \$50.10, \$40.00,
 Waste Management (WMI-NYSE) short at \$28.70, \$37.81, and cover at \$17.00;
 Wells Fargo (WFC-NYSE) short at \$59.65, \$37.19, cover open.

LONGS POSITIONS:

Agnico Eagle (AEM-NYSE) \$14.05, \$49.98, Open;
 Alma Resources (ALV.V) C\$1.30, C\$0.28, Open;
 American States Water (AWR-NYSE) \$25.18, \$41.98, \$35.93; go long again at \$30.00;
 Anadarko (APC-NYSE) \$66.81, \$52.17, Open;
 Apache (APA-NYSE) \$50.43, \$86.89, Open;
 Connecticut Water (CTWS) \$26.32, \$23.61, \$32.21;
 Capella Res. (CPS.V) C\$0.69 C\$0.61 Open;
 Crystallex (KRY-ASE) \$3.16, \$2.73, Open;
 EnCana (ECA-NYSE) \$23.22, \$63.85, Open;
 Middlesex Water (MSEX) \$17.90, \$19.19, \$25.00;
 Norsemont Mining (NOM.TO) C\$0.85, C\$1.55, Open,
 Rainy River (RR.V) C\$0.85, C\$4.50, Open,
 Silver Standard (SSRI-OTC) \$2.50, \$34.60, Open,
 Southwest Water (SWWC) \$12.20, \$13.02, \$19.10
 Hellix Ventures (HEL.V) \$C0.50 \$C0.58, Open.

US MARKETS

Gold is in the process of backing and filling in a consolidation pattern, which we don't believe will last too long. The next effort will be to breakout over \$730 and up to the \$760-\$780 level, and then on to \$850. When \$850 is reached we will have completed phase one of the long-term gold bull market. The next phase will be to the \$1,700 to \$2,500 level.

Every anti-gold article we read never discusses the monetary value of gold as a currency. It is very significant that it has been 2-1/2 years since gold broke out versus all currencies and that gold has recently broken above 500 euros. There is no currency immune against gold's inroads as the only real currency. This is why our government and the Fed fight as they do to suppress gold's upward price movement. This is an effort doomed to failure and a once in a lifetime opportunity for those who understand what is taking place to not only protect your assets, but also to make a great deal of money.

You would have to be living on another planet not to realize the terrible damage being done by the decline in the dollar and the really unnoticed damage being done to all currencies. The cost of massive debt and the following inflation will be paid by all fiat currencies. The trick of government, the Fed and their syncopates is to categorize gold as a commodity in order to mask gold's real mission. When gold

is described as a commodity it is done to sidetrack investors so that they won't invest in gold.

Central banks have almost never acted responsibly. We have a credit crunch going on and their answer is to feed more money and credit into the system to allow banks that took ridiculous risks to be bailed out. The result is an expansion of money and credit that is now higher than 14% in the US and internationally approaching 20%. Every nation is producing bogus statistics, particularly those that relate to CPI, PPI and unemployment. American inflation is now over 11% and unemployment has reached 13.5%. This is why gold is rising, fiat currencies, high unemployment and hyperinflation, which is now stagflation, that is stagnation and inflation. This term was first brought to us in the 1960s by the famous, now 84 year old newsletter pioneer, Harry Schultz, to whom we owe so much. He guided us during those early years of discovery.

Wall Street and our media are demanding lower discount rates, lower prime interest rates and ever more money and credit being fed into the monetary system. They only see today and tomorrow, never the future. These are the players who create inflation and those who will eventually go broke. They do not get it, don't want to get it and so they never will get it. Twenty percent money and credit creation is not normal - 3% is normal. We have not seen such inflationary monetary creation since 1978-80, 1924-29 and 1903 to 1907, all of which were followed by recession in 1980-83 and depressions in 1903-07 and 1924-29. We hope you are getting the message. The big question will be will we replicate the Weimar Republic? At today's rate of expansion perhaps we will and if that may be the case, we can count on much higher gold prices than anyone can imagine at this point in time. What you have seen for the past two months is only the prelude to what is in our future. We are witnessing monetary madness.

We are working on a comparison of inflation and M3 in the late 1970s. We have already surpassed, we believe, the M3 creation for that period. If we are correct it will bring into vivid focus why M3 was officially abandoned by the Fed and the lies our government wants us to believe.

If the M3 rocket ship wasn't enough, the Fed has reduced the discount rate and eased repayment restrictions for banks at the window. They are also accepting toxic waste as collateral. This and help from the FHA is not going to stem the tide. This has to mean monetization of the junk collateral and looser activity in the repo market, along with ever-greater additions to money and credit, M3.

\$80 oil is behind us and that will increase price inflation along with staggering increases in food prices, never mind anything else. The only decline we see is in house prices, which means the family ATM card has been punched cancelled. Debt is going to weigh more than ever on consumers and their ability to purchase. All these factors are very bullish for gold and will send its price skyward.

The breakout of Agnico Eagle (AEM-NYSE) is the signal that gold shares are going to move upward again. The big sleep these issues were victim to is over. The action is about to recommence. Only the strong holders are left. Once the HUI breaks 380 the gold and silver shares will be long gone.

Anyone who buys things knows we live in a world of high monetary inflation. Inflation can only be caused by the superfluous creation of money and credit by the Federal Reserve. Asset prices are elevated, but precious metals are still relatively inexpensive. The credit crunch, the result of monetary profligacy by the Federal Reserve, has overwhelmed many investors causing them to panic and fear this crunch will hurt all investments. That is not true in the case of gold and silver. They will be the recipients of the bright side of all these problems. The immediate

affect of the absence of credit is deflationary, but that is more than offset by an increase of money and credit, M3, by the Fed, which at this time is increasing by over 14%. That is not to mention a wide-open discount window for member banks and the Fed's activity in the repo market. At least at this time there is plenty of credit available to offset any deflationary problems either from the credit and money markets or from the real estate and building industries. There will come a time when finally deflation will overwhelm the financial system, but we haven't reached that point as yet. For now the system is being rescued in a massive wave of money and credit, which can only end up in hyperinflation. Thus events are little different from what transpired in 2000 and 2001, when the dotcom stock market collapsed and the Goldilocks economy ceased to exist. That episode's aftermath brought about 1% interest rates and eventually a housing credit orgy not seen since the 1920s.

This new inflation will not benefit the stock market or real estate as investment recipients. Inflation cuts into earnings and real estate and construction are still in decline. The next bubble is going to be in gold and silver related assets, and to some extent in other natural resources. There will be a flight to quality that unfortunately only 5% of investors will participate in, those who have done their homework and used foresight. Finally the dollar is falling. Having breached 26-year lows in anticipation of a new wave of inflation, gold will not only appreciate against the dollar, but in all other currencies as well, because most all governments are inflating in the same manner as the Federal Reserve. As an example, money and credit are being created at an alarming rate. In Russia at 51%, China 19%, India 23%, South Africa 22%, in the US at 14%, in England at 13.5%, in the Eurozone 13% and in Brazil at 12%. This extravagant use of money and credit will eventually destroy the world monetary and financial systems. We believe the next wave of money and credit creation over the next 16 months will range from 15% to 20% and who knows whether we'll go Weimar after that.

You do not have to be a brain surgeon to figure out that all this monetary creation is depreciating those fiat currencies in your pocket. This is the theft of your assets and your purchasing power. This is why the flight to quality is underway to the world's only real money, gold, while central banks continue to issue more and more money and credit. The gold and silver train is leaving the station and you had best get on board, because if you do not, you will be very sorry.

As the dollar strives to lose its world reserve currency status the patients are running the asylum. Our Treasury Secretary on loan from Goldman Sachs says we are seeing building and real estate problems against a background of a strong economy. He forgot to use the word steroids in that explanation and that the steroids will result in a massive loss of buying power.

Last week Sir Alan Greenspan tried to wiggle out of his Greenspan's Folly by telling us he couldn't have imagined the real estate bubble he created could have turned out this way. Needless to say, he knew exactly what 1% interest rates and no regulatory oversight would bring. Alan is just another Wall Street fraudster who fronts for the elitists who run our government and most others. When you have charlatans like Paulson and Greenspan at the helm you can only expect the rich to get richer and more powerful.

The man who in part has been responsible for millions of deaths, former Secretary of Defense, Donald Rumsfeld, has been turned out to pasture. He is now a visiting fellow at the elitist Stanford University, Hoover Institution. He will participate in the institution's new task force of scholars and experts studying post 9/11 ideologies and terror. Who better to do this job than one of the malefactors who planned and executed the tragedy?

This is what can be termed a moral disgrace. Rumsfeld is not a person of intellectual merit and not an academic. He is a bureaucrat, illuminist toady, a party hack and a policymaker who is at best morally adrift and deeply corrupt. Other slime balls to be so honored by the institution recently, or should we say paid off, are retired Army general John P. Abizaid, former commander of the US Central Command, who has begun his payoff as the first Annenberg Distinguished Fellow at the institution. The Annenbergs made their fortune when they were involved in bootlegging and then via bookmaking, which was illegal. Just another criminal family. Rick Santorum, a Pennsylvania Republican defeated in his bid for reelection signed on to head up a new program called "America's Enemies," which will be located at the Ethics & Public Policy Centre, a Washington-based think tank formerly headed by neocon Elliot Abrams.

Paul Wolfowitz after leaving government returned to the Washington-based American Enterprise Institute and former Ohio Secretary of State Ken Blackwell, who was involved in election rigging, went to the Family Research Council, which is a prominent Washington-based Christian conservative lobbying group.

In reference to Mr. Rumsfeld again, in 1971 Mr. Nixon said, "At least Rummy is tough enough" and "he is a ruthless little bastard." You can be sure of that. Rumsfeld has an impressive record although he made a terrible mess of Iraq to which the Illuminati believes set their plans for world government back 30 years. Most important of all is he was a founder and active member of the Project for the New American Century, a neocon front devoted to taking over Iraq and its oil. The mark Rumsfeld will leave will be a bad one. He will best be remembered for the Iraq disaster; condoning torture at Abu Ghraib and Guantanamo; extended tours of duty and stopgap orders to over extend our Guard and Reserves in Iraq and of extreme arrogance. He thinks Afghanistan was a big success. It was for the CIA and drug profits, but a disaster for everyone else. The president is no more than a puppet and the people are not free.

A recent BBC poll said only 29% of Iraqis now think the situation will get better down from 64% just a few months ago before the surge. The surge increased warfare and ended dialogue and economic reconstruction and development.

The dramatic turnaround by the Bank of England last week concerning financial bailouts shocked the world financial community. Evidentially the Queen called and told the BoE to bail out the system. What's a little more inflation? It indicates to us how serious this crisis is. It is getting worse after two months. We still do not know who is in trouble and who is getting bailed out. Mervyn King was doing the right thing, but that was not what his masters wanted. This is exactly what you can expect from corporate fascists. Let the public foot the bill via inflation.

The Arizona State Treasurer is asking the Arizona Board of Regents to investigate whether Arizona State University can legally use private scholarship money to help about 200 undocumented immigrants. In a letter to the Regents, the Treasurer said the scholarships probably violated Prop. 300. The law requires students in the county illegally to pay out-of-state tuition at state universities. It also prohibits using public money to help students afford the higher tuition. ASU has already given out \$1.8 million that may have to be retrieved. Once money is given to a state agency, it is considered public money.

Gasoline and food prices continue to move higher and now heating oil has hit another high as oil cleared \$80.00. Corn is being used for ethanol and wheat supplies are at a 26-year low. As we said before, ethanol is a major loser and is pushing all grain prices higher.

Philadelphia Police Commissioner Sylvester Johnson has acknowledged that police alone cannot quell a run of deadly violence and has called on 10,000 black men to patrol streets to reduce crime. Johnson, who is black, says black men have a responsibility to protect more vulnerable residents and he wants each volunteer to pledge to work three hours a day for at least 90 days. Forty-four percent of Philadelphia is black. The city has had 294 homicides this year. More than 80% have involved handguns and most involve young black males.

As we look back over the past seven weeks we see a distinct disinclination of foreign central banks to continue to accumulate US debt. This is the first time this has happened in five years. It looks like payback for the dastardly fraud Wall Street laid on professional investors worldwide in dumping their CDO and ABS toxic waste on them. This is nothing less than a boycott of US Agency and Treasury investments. Foreign central banks have sold almost \$56 billion as well during this time frame, which is a considerable amount of bonds. Foreign investors have not been purchasers of this paper for some time, so we do not believe they will recommence buying, thus two sources to purchase are left – domestic US buyers and the U.S. Treasury. We do think there will be additional domestic buying, but not enough, thus the only buyer left of last resort is the Fed, which creates money out of thin air to do so. This is monetization and it is immediately highly inflationary. As the Fed buys we expect foreign central banks and foreign institutions will be sellers in greater numbers. The last declaration we saw of foreign forex holdings at the end of 2006 was that 64.75% were held in US dollars. The dollar has fundamentally broken down, so it is time to lighten up. These nations are facing losses of 30% to 50% of their reserves. All they needed was an excuse to sell. They have two excuses, a falling dollar and a heartless fraud. This is very serious for the US, because if it plays out this way we see terrible additional US inflation, part of which will be shared with the rest of the world. The world has lost confidence and trust in the components of the American monetary and financial system. We see little they can do to re-instill that lost cooperation. We believe raising interest rates could go a long way to making that happen. It would shore up the dollar, but it would send the US economy deeper into recession. Wall Street at the same time is howling and demanding interest rate cuts, so their party can continue. A drop in interest rates would expedite the collapse of the dollar and the sale of dollar denominated securities and send inflation rocketing upward and gold and silver along with it. No change in interest rates would continue the erosion of the dollar and the US economy buying time as it has for the past 15 months. Gold and silver would slowly move higher. Higher interest rates would stop dollar erosion, gold and silver would probably trade in a slightly higher range and the US economy would quickly go downhill. The last word is lower rates and Treasury-Agency selling could certainly send some of those proceeds into gold and silver. Next we wait for the Fed and their decision.

Overlooked by most observers in the CDOs is not just the subprime loans, but also the large percentage of collaterals are derivatives of the credit and default type, and that makes valuation very difficult if not impossible. Valuation cannot wait to see if the creators of these instruments are correct, valuation is now. In addition we know many of these black box quant formulas are already currently blowing up as they did on LTCM in 1998. Thus, there is no confidence that this isn't happening again, due to extreme market volatility. The syndrome we are facing in valuation of CDO bonds is the same, as the public's response when we tell them serious problems abound, it is denial – we do not want to know – don't confuse our dreams and way of life with facts and truth. This attitude is what will probably force the Fed to lower interest rates. This is a flight from reality. It fits smoothly with Ben Bernanke's

solution of monetary problems; just throw more money and credit at it. As we said long ago there is no way out, this will be the big bang. We have been waiting 48 years for this to happen and it finally is happening. The elitists are in a box of their own making and they cannot get out.

The direction we see is toward Weimar-ism. The cause is different but the result will be somewhat the same. Lower US interest rates will in finality totally vaporize confidence in the dollar and US financial leadership. It will be viewed as a capitulation to debasement as it was a short 87 years ago.

A middling is possible to buy time but it will cause erosion on the dollar and higher gold and silver prices. That would be the Fed directly lending to the banks and a large cut in the discount rate, which is inflationary, but not nearly as destructive as a prime rate cut. There could be large discount cuts and an extension of open market operations, but the problem with that is it doesn't solve any underlying problems nor does it force mark to market valuations. It continues denial and wandering aimlessly. The same result would occur if the Fed were to lend to non-banks and accept their diseased collateral. Well, we will know on Tuesday – a day before this is published. The conclusion we have made will still hold. After the decision we can then hone in on what will happen as a result of the Fed's actions. That is what is very important to our financial and economic future and us all.

\$9 billion went missing between 4/03 and 6/04 in Iraq and no one seems to care about it.

The Lee County, Florida News-Press tells us that the county was 4th in the national with 9% growth in the number of housing units added from 2005 to 2006. They added 28,393 housing units, which include single-family houses, apartments and condos. Since 2006, the county has added 95,000 housing units, and today thousands of them are empty and up for sale. The vacancy rate was up 20% to 92,989 in 2006. The majority of those 57,208 are seasonal living units. The number of vacant houses for sale is 9,723. In 2007, almost 19,000 units have been added to the county's tax rolls. There are now 14,936 houses for sale, and that is only down slightly from the May peak of 15,500. That is 27 months of inventory where five months is normal.

In 2006, the median mortgage payment in Lee County was \$1,502, an increase to \$270,100 or 21% in one year. That is almost triple the median value of \$96,700 in 2000. We believe that over the next year prices will have fallen 40% from their peak highs and they may fall lower in the following three years.

In the developing world 65% of the average family budget is spent on food versus 20% in the developed world. That shows you how devastating higher food prices will be for the poorer nations. Unfortunately, that is why food prices are going out of reach. The Illuminists want to eliminate useless eaters and pare back the third world populations. The second and third worlds have been seeing US exported inflation for the past two years and it is about to get worse.

Scandals just never cease in our brave new Illuminist world. A consultant to ABC News published a phone interview with Barack Obama. That was Alexis Debat who is one of the neocon drumbeaters. After being fired by ABC Debat settled in as the director of terrorism and national security at the Nixon Center. He recently used the London Times owned by another warmonger, Rupert Murdoch to say, "Whether you go for pinprick strikes or all-out military action, the reaction from the Iranians will be the same." It is he added, "a very legitimate strategic calculus." The Nixon Center has close ties to Henry Kissinger, who for the last three years has been advising George Bush. Debat is being used to make warlike comments and to use propaganda to shape American thinking to accept an attack on Iran. Debat has used

ABC as a propaganda outlet. This doesn't end with Obama, Nancy Pelosi, Alan Greenspan, Michael Bloomberg, Bill Gates and Kofi Annan were also subjects of fake interviews by Alexis Debat.

We all know there is a credit crunch. The lack of liquidity is being addressed by central banks and how successful they will be, remains to be seen. Behind it all is a bigger problem that is a loss of confidence and trust and a decade of tolerance of credit abuse by the entire financial industry to reap in enormous profits and at the same time keep a failed system afloat. The leader of the pack was the Fed joined by banks, investment banks, mortgage originators and yes, rating agencies and the regulators who have actively taken part in one of the biggest financial scams of all time. Just for starters we are looking at \$1.3 trillion in essentially worthless paper. The insiders know this and they are panicked because the jig is up. They are equally panicked that the derivatives monster is going to come unglued as a follow up. There is no market and hence no value for the products of structured finance. They are essentially worthless. When forced to find some kind of a market they sell for \$0.30 on the dollar. This is the toxic waste the Fed is taking in as collateral. The Fed may be able to bail out the banks, but are they going to bail out the entire financial system? If they do they will Weimar-ize not only our economy, but also the entire financial system. Incidentally, it also looks like the Bank of England and the European Central Bank and many other central banks are doing the same thing.

Mortgage lenders and banks are tightening up their lending but the underlying problem is the entire system is enmeshed in toxic debt of dubious or little value. We have two different entities, the economy and finance and both are in serious trouble. The government lies about the state of the economy and the entire CDO, ABS, MBS and commercial paper markets are frozen. Adding to the misery is a totally collapsing housing and supply and construction industry. Loan origination is in a state of semi-collapse. Housing inventory is overwhelming as sales continue to fall, soon banks, mortgage companies, builders and CDO holders to some extent will write off their losses and the result will be bewildering. Wait until investors see how they have been lied to and how bad the situation really is. Those results should begin to be released this week. Private equity deals have been at a standstill for two months and who is going to rollover the commercial paper? There will be large losses from CDOs, ABSs by pensions, insurance companies, banks and various equity and financial entities worldwide.

Another troubled area is brokerage subsidiaries of major banks. Some banks have already asked the Fed to allow the banks to increase funding to their brokerage subsidiaries. This is why the Chinese wall between banks and brokerages should have never been allowed to be eliminated. These crooks destroyed the Glass Steagall Act, which was passed in the early 1930s to never again allow banks to use brokerage houses to influence markets. That loss of Glass Steagall has allowed banks to go berserk again. The conflicts of interest recommenced as commercial banks were permitted to underwrite stocks and bonds. The charge was led by JP Morgan - that was arranged by former Morgan board member Alan Greenspan.

In addition, what are they all hiding off the books? All we know is that it runs into hundreds of billions of dollars.

The BIS tightened capital rules several years ago, which required banks to hold more reserves against loans. Banks went around this rule by securitizing pools of mortgages rather than retaining them individually. They not only ended the BIS, they gleaned fees for origination and distribution, and at the same time sold the risk by selling them in the form of MBS, CDOs and ABS to other professionals. Banks had morphed back into securities firms just as had been up to 1932. The same

mistakes were repeated to placate the greed of the bankers. In selling these bonds or tranches of toxic paper they distributed these falsely rated illiquid pieces of garbage worldwide. If banks had not been able to securitize they would have never inventoried them and there never would have been a housing bubble. This is why we wrote at the time that Glass-Steagall should have never been repealed. This toxic sludge is now hitting the market. A market that heretofore didn't exist. Now the Fed in order to prevent a financial collapse has taken in collateral that at best is worth \$0.30 on the dollar and may in fact be worthless. This is only a delaying tactic because we do not see the Fed taking on over a trillion dollars of these unmarketable securities. Then again if they do not take in the bonds and they are marked to market many banks and non-bank financial institutions will fail. If they monetize all that paper inflation will easily exceed 15%. It is absolutely ludicrous that every day all day that inflation is low and declining when it is over 11% and getting worse daily due to profligate creation of money and credit, M3. We wonder whether all these financial institutions are going to declare their losses over the next two weeks? They may, but we do not think so. Then again many may have too, having been driven away from the yen, gold and Swiss franc carry trades.

We saw Monday morning's Greenspan interview and when questioned as to why he drove interest rates down to 1% he said he was forced too, because other nations were headed in that direction. That is not true. They followed Greenspan's lead. This is Greenspan's Folly. During Greenspan's tenure the assets of Fannie Mae and Freddie Mac and other GSE's grew 830%, MBS rose 670% and ABS rose 190%. Greenspan said everyone should have an adjustable rate mortgage and that everyone should be able to buy a home. This was his rationale and this is what caused the bubble and real estate's present collapse. From the very beginning his orders from his elitist directors was to keep the economy from collapsing and to buy time for a more opportune time to let the system collapse.

Household net worth was up 2.1% to \$57.86 trillion in the second quarter.

The September Empire State manufacturing index dropped to 14.7 from 25.1 in August.

NATO chiefs will this week finally tell the Serbian government where they dropped thousands of cluster bombs during the Kosovo campaign, more than eight years after the bombardment finished. What a shameful situation having to be forced to reveal what they have done. That is 380,000 bomblets. This is the same thing Israel recently did during a 72-hour pre-ceasefire agreement. Most of who get killed are women and children.

Sir Alan Greenspan has covered lots of territory over the past three days as his new book is published.

Alan's inflation roots go back to his time on the knee of Arthur Burns who flooded the economy with money to get Nixon elected in 1972 and brought about inflation that culminated in the rise of gold to \$850.

What is galling is when he says, "The human race has never found a way to confront bubbles." Alan, the idea is not to create them in the first place. He held rates too low for too long and he knows it and he is responsible for the bubble. His latest excuse was he was forced to lower rates and keep them there because foreigners were lowering rates, which is ridiculous. They, the foreigners, were forced to lower their rates because Greenspan had aggressively lowered our rates. Greenspan never allowed for an adjustment he would 't even have a mild recession. It was to perpetually boost the economy no matter what the cost. He told the public everyone should have an ARM. He could have stopped the dotcom bubble simply by increase stock margin rates.

He also admitted in an interview on CNBC that in 2003 and again in 2005 that the fed tried to drive the yield up on the 10-year Treasury notes, but was unsuccessful, an admission of market manipulation.

He was responsible for the public living beyond their means, withdrawing equity from their homes and getting deeply into debt. He played the speculators game with the economy. He blames the Asian savings glut for the bubble. That is ludicrous. If they hadn't recycled their income from trade we would have long ago gone bankrupt. Alan was more interested in being a financial rock star. His legacy is an America, which is in terrible financial shape, which can only worsen. As time goes on we will discover Alan Greenspan was a disaster for our country. Remember, this is the expert who told us a year ago that housing had bottomed. This past weekend he told the London Financial Times that, "US house prices are likely to fall significantly from their current levels," some expert. Our track record is far, far better than his. As we said he also said, "they have 5-year maturity assets financed with 30-day commercial paper." That is a cardinal sin.

Barclay's Bank is advertising on CNBC Europe to open an account with them, which, if you can believe it, would yield 10% from the first euro. They must really be in trouble.

According to National Automotive Finance Association, the trade body that represents America's subprime vehicle lending market, the number of car loans that were late by at least 30 days, or had missed payments, jumped to its highest level in 15 years.

Auto loans keep getting longer as auto lenders refuse to put the brakes on risky loans, even as subprime mortgage lenders are skidding off the road.

Terms on auto loans are getting longer as consumers stretch to buy more car than they can afford. The longer term helps to lower monthly payments, offsetting the impact of rising interest rates and allowing buyers to put less money down. The average term is now 63.8-months, up from 59.8-months five years ago. YTD 39% of loans were for 72 to 83 months, up from 31% in 2004 and 3.9% are for 84 months, up from 2.4% two years ago.

On a four-year \$30,000 loans at 7%, a monthly payment of \$718.38 costs \$34,482. At six years the payment is \$511.47, for a total of \$36,815. When owners sell negative equity is \$3,000 minimum. Hungry for sales dealers are pushing for subprime borrowers, that will eventually cost GMAC and FMC lots of grief.

S&P says that, among securitized auto loans to prime borrowers, 30-day delinquencies increased 37% for 2006 issuances versus 2005, and are up by 24% for 2005 securitizations versus 2004. Subprimes are up 7% and 22%. Cumulative losses on subprime pools are up 14% and prime 20% versus 2005.

Citizens Property Insurance Corp., Florida's state backed "insurer of last resort" has become the state's largest insurer, having moved ahead of Start Farm, which recently announced it would not renew 50,000 coastal policies next year citing hurricane risks. The same is true in Louisiana, South Carolina, Alabama and Mississippi.

During the recent havoc in the stock market hedge funds were big sellers and tended to sell their best out-performers for \$2.3 billion. They bought \$500 million in underperformers. In the last downward market sweep they sold winners and losers uniformly \$2 billion of each. Individual investors and funds generally stood on the sidelines.

Shaken by housing and credit woes, people's confidence in the economy sank to its lowest point in nearly 1-1/2 years. The RBC Cash Index showed consumer confidence at 71.1 in September, a very sharp drop from August's reading

of 89.3. That is the worst showing since May 2006. The survey was conducted by Ipsos. Consumers are rattled to the bone. Attitudes about investing, including their comfort in making major purchases, fell to 88.3 from 97.9. Feeling about the economy's prospects and their own financial fortune over the next six months plunged to 14.4 from 43.9. This is the weakest showing on record. On current economic conditions that index slid to 90.5 from 105.6. Only 37% approved of Mr. Bush's handling of the economy, down from 41%. Only 1/3 was satisfied with his performance.

About 32% of householders are renters. A full-time worker needs to earn nearly \$30 an hour in San Francisco to afford a modest two-bedroom apartment without spending more than 30% of his income. In West Virginia, the same housing wage is \$10 an hour.

Since November 2006, 156 major US lenders have imploded. We are fast approaching our forecast of 200 failures this year.

Merrill says it will cut jobs at First Franklin Financial Corp., which it acquired less than a year ago.

6,500 jobs are at risk as the crisis deepens at Northern Rock.

Checks sent out by American Home Mortgage Investment to pay property taxes have bounced.

Alan Greenspan says inflation is closer to 5% not 2%. He says interest rates are headed to 8%.

First Franklin has cut an unknown number of jobs.

1,000 people tuned out last Saturday at the Union Pacific Depot in Salt Lake City to rally behind US Rep. Ron Paul in his bid for the Republican presidential nomination; 20 supporters paid \$1,000 a plate brunch and a \$2,000 per plate dinner.

Mr. Greenspan has revealed that the removal of Saddam Hussein had been essential to secure world oil supplies. The war was largely about oil. He called the president's lack of fiscal discipline terrible and that the government was dysfunctional.

AAA says gasoline prices slipped \$0.06 to \$2.7888 a gallon last week.

What is particularly disturbing about what Alan Greenspan did was to lower interest rates for so long, which allowed unsuspecting prospective buyers to qualify for homes they couldn't afford. The lenders accommodated by not having any rules on borrowing. Just about anyone could buy. They were all led to believe that real estate prices would go ever higher. Concerns of risk not only by homebuyers but also by professionals, who bought CDOs, were thrown to the wind, all because the Fed encouraged it.

Then there is the case of a couple in their early 30s whose interest only loan reset has sent their monthly payments from \$2,900 to \$4,000. He has always been on time and has top credit. The lender now also wants an automatic withdrawal program for the mortgage payment; 8 months of property taxes; an impound account for taxes and insurance. We call this the wrong thing at the wrong time. Kicking a man while he is down serves no useful purpose.

Sir Alan Greenspan says house prices are headed lower. One of the reasons is derivatives, which Sir Alan refused to regulate.

About half of Massachusetts hospitals say they have adopted policies to waive charges for serious medical errors, such as wrong-site surgery and harmful medication mistakes, and others plan to amid growing resistance from government and health insurers in paying for poor outcomes.

Thirty-three of 61 hospitals have voluntarily stopped charging for 28 serious and rare errors, called never events. Consumers groups, health insurers,

legislators and employers are pushing for far-reaching and mandatory policies as ways to reduce errors, and hospital executives say they expect to forego payments in an increasing number of cases, including those in which patients require additional treatment because they contracted an infection in the hospital or fell in their room.

Last month Medicare decided it will no longer pay hospitals for care resulting from eight complications, including falls, objects left inside patients during surgery, pressure ulcers, and three types of hospital-acquired infections. This will force hospitals to deliver better care.

In Miami, patrol officers will have the option of carrying assault rifles as they try to combat the rise in similar weapons by criminals.

This follows decisions by Danbury, CT, Merced, CA, Waterloo, Iowa and Stillwater, OK that are authorized to use AR-15s, the civilian configuration in semi-automatic of the military M-16. Los Angeles has had the option since 1997, when a gunfight outside a bank exposed officers to heavy assault weapon fire.

Iraq has cancelled the license of security firm and mercenary provider, Blackwater USA, after it was involved in a gunfight in which at least eight civilians died. It is generally assumed that Iraqi courts have no authority over private foreign security contractors. As far as we know they are immune from prosecution. The war, it is estimated, has caused 1.2 million civilian deaths.

Our first take on the Fed's .50% cut in the prime rate and .50% in the discount rate is that the Fed accommodated Wall Street and the economy. The gold price rose twice during the day \$10.00, but was promptly knocked back to even. We suspect leased gold was used to do the trick by the Treasury and the Fed. Of course, the market went ballistic and that was planned beforehand. The result of the cuts will be a fall in the dollar to lower levels, dumping of dollar denominated securities, especially Treasuries and Agencies, more monetization by the Fed, higher inflation and higher gold and silver prices

A glut of homes on the market combined with a sharp rise in foreclosure sales have driven Metro Detroit home prices down 17.7% since their peak three years ago. The median price fell from \$188,275 in August 2004 to \$154,919 in August 2007. In Wayne County, the drop has been a staggering 35.6%. Hundreds of thousands have negative equity and are upside down on their mortgages and this area never had appreciable increases in value due to massive job losses in the region due to offshoring and outsourcing under free trade and globalization by US transnational conglomerates.

In Wayne County, 305 homes were sold in August, or 18.4% of the county's total, were foreclosure sales versus 10.2% in August.

Many old retired people, not able to pay their medical bills, have borrowed against their homes and in turn are losing them.

After the enormous damage that has been done by insider trading by hedge funds, the SEC is finally examining them. We see little happening. The SEC serves the elitists and they need the hedge funds to keep the markets up. The SEC only pursues, non-elitists, small and medium-sized brokerage firms and their brokers and newsletter writers.

US companies are cutting back on share buy-backs, a sign of their fear that a prolonged credit squeeze and a sharp economic slowdown could take a severe toll on their operations. September is set to be the weakest month in nearly 4-years with just \$3.7 billion worth of buybacks announced so far. A decline in share purchases will hit company earnings because they provide 20% of earnings growth for S&P companies in 2007. Many of those companies have borrowed large

amounts of money to fund this earnings rigging operation. Since the beginning of 2005 some \$430 billion has been used in buy backs.

PHA, the mortgage lender that agreed to be bought by GE and Blackstone, said the \$1.8 billion sale could unravel as lenders back away from some leveraged buyouts. As you can see, the game has changed due to the credit crunch. The asset strippers are dead in the water.

From a fellow subscriber:

I know you don't have money to lose (so you're not in SLV) and I don't either, but I just received this bit in the AM -

"Word has it that Barclays of London might be bankrupt. If so, watch the silver exchange trade fund SLV they manage. They are a member of the LIBOR pool and have raised their member rate in the pool to the highest among them. In all, sixteen major banks comprise the London Interbank Offered Rate pool. The old rule is that if a bank does not want to lend at all, they will raise their rate to an uncompetitive level. "

I am suggesting you might want to advise your loyal listeners on Bob and Mel to get the heck out of SLV if they happen to have a position in it.

I don't think there's any physical in SLV and I would not be surprised if the cash was stuck in short term commercial paper, which is frozen up. Redemptions in SLV might end up resembling Northern Rock!

From a fellow subscriber:

Bob;

I traveled to Egypt and Israel regularly for some years.

The reason Egypt gets 5+ billion (probably much higher now) is that if you remember, the US could get no other Arab state to turn traitor to their Muslim brothers and recognize Israel's right to exist. So, it's bribe money so the US can say, "See, Egypt recognizes Israel's right to exist". Mubarak is a cutthroat fellow who I'm sure has a huge Swiss bank account, because the Egyptian people have very little of anything. However, a lot of money from oil and cotton and maybe a trickle of the US foreign aid is being spent on infrastructure, education and tourism.

We send Egypt old, outdated, trashed military hardware no one else wants.

Israel gets the newest stuff, often before our own troops.

The Sunday Times

September 16, 2007

<http://www.timesonline.co.uk/tol/news/world/article2461214.ece>

Alan Greenspan claims Iraq war was really for oil

Graham Paterson

AMERICA's elder statesman of finance, Alan Greenspan, has shaken the White House by declaring that the prime motive for the war in Iraq was oil.

In his long-awaited memoir, to be published tomorrow, Greenspan, a Republican whose 18-year tenure as head of the US Federal Reserve was widely admired, will also deliver a stinging critique of President George W Bush's economic policies.

However, it is his view on the motive for the 2003 Iraq invasion that is likely to provoke the most controversy. "I am saddened that it is politically inconvenient to acknowledge what everyone knows: the Iraq war is largely about oil," he says. Greenspan, 81, is understood to believe that Saddam Hussein posed a threat to the security of oil supplies in the Middle East. Britain and America have always insisted the war had nothing to do with oil. Bush said the aim was to disarm Iraq of weapons of mass destruction and end Saddam's support for terrorism.

WorldNetDaily: Canada preparing ports for NAFTA Superhighway
http://www.worldnetdaily.com/news/article.asp?ARTICLE_ID=57567

PREMEDITATED MERGER

Hoffa: Bush creating North American Union
Teamsters boss: Mexican trucks part of 'master plan' for 'super-government'
http://www.worldnetdaily.com/news/article.asp?ARTICLE_ID=57628
Posted: September 14, 2007
1:00 a.m. Eastern

By Jerome R. Corsi © 2007 WorldNetDaily.com

Here is a link for those who wish to sign a petition opposing this Can-Am-Mex highway.

<http://www.grassfire.org/89/petition.asp?PID=14338077&NID=1>

COMMODITIES

As we know OPEC will increase oil output 500,000 b/d, the truth of the matter is they are already producing that much beyond quota and that is why oil rose and did not fall with the announcement. Global demand continues strong and ever higher and that is the reality of oil prices. Russia did not add to reserves. They are having difficulty doing so. The Russian economy is booming thus, they will probably start to export less in the future.

GOLD, SILVER, PLATINUM, PALADIUM AND URANIUM

Early Monday most every market was lower except precious metals and commodities. The Dow was off 70, S&P 89, Nasdaq 74 and FTSE 191 Dow points. The CAC was -98 and the DAX was -56. The yen was +.51, the euro -.0011 and the pound -.0106. The 2-year was 4.05% and the 10's were 4.46%. Oil was -\$0.68, gas -\$0.02 and natural gas +\$0.03.

Monday's markets were very surprising. The PPT saved the FTSE and the Dow from collapsing and silver, gold and commodities rallied again. There was lots of gold selling but overwhelming physical buying. Gold ended up \$6.10 at \$714.70 after having been about \$4.00 higher. Silver finished up \$0.18 to \$12.72. Copper was \$3.42, +\$0.03. Gold open interest rose 667 contracts to 387,063 and silver OI fell again the other way, dropping 703 contracts to 106,851. Japan was not operating on Friday so we have no Tocom quotes.

The Dow fell 39, S&P fell 70 and Nasdaq was -125 Dow points. The yen was up .20 to \$11.1516, the euro was -.0011 to \$1.3863, the pound fell .0126 to

\$1.9945, the Canadian dollar was +.26 at 97.30 and the dollar index rose .08 to 79.54. The 2-year was 4.06% and the 10's were 4.46%. Oil crashed through to \$80.57, up \$1.47 to a new all-time high. Gas was up \$0.08 to \$2.04 and natural gas was +\$0.37 to \$6.65.

While the yen is behaving and gold, silver, oil and copper did well today, Monday, there are some notable actions in certain markets that are very pointed at supporting the dollar and controlling gold in the wake of the upcoming Fed meeting tomorrow when we will get to see where the Fed really stands on certain issues, which basically boils down to whether they will do what is best for the US public (hold rates steady or even raise them, go into recession, possibly depression, and purge the system immediately) or what is best for the criminals on Wall Street (lower rates, push the ever-burgeoning Ponzi scheme into intergalactic space, kill the dollar along with its reserve status, and eventually the economy with it, in a financial devastation which the usual words recession and depression will be inadequate to describe, just so a bunch of greedy reprobates can party on for a few more months of profligacy).

First, USDX futures officially reached the 40,000-contract level once again today, with the spot USDX gaining a modest .103 to close at 79.720 per the ICE site (formerly the NYBOT site) with a total of 40,140 contracts of OI. The last time this 40,000+ level of OI was in effect was on August 9 when the USDX was at 80.744, and that elevated level helped propel the USDX to 81.822 a week later on August 15. This all followed an all-time record of OI for the USDX of 47,619 contracts on July 25, the day after the USDX closed at 80.077, and open interest above the 40,000 contract level was maintained from 7/13/07 to and including 8/9/07 to help save the dollar at that time. As you can see, the dead-cat bounce up to 81.822 on August 15 was quickly unraveled, culminating in break below 80 on 9/7/07, a period of three weeks. The current dead-cat bounce in the spot USDX will be lucky if it lasts the three days it has gone so far, having crept upward from a low of 79.365 on Wednesday to 79.720 on Monday. If the Fed cuts on Tuesday, look out below!

Second, gold and silver lease rates, especially in the shorter terms, continue to plummet, a sure sign of a manipulation in the making. A week ago on September 10, the lowest rate for any term of lease was .26% for gold and .27% for silver. By today, the one month gold lease rate has dropped to a manipulative .11%, the two month gold lease rate is .18%, which is still very low, and the three month gold lease rate is .23%. The one-month silver lease rate is now a stunning .01%, the two month silver lease rate is an equally stunning .04%. The conclusion has to be that the cartel is setting up for an attempt to contain gold that will most likely be futile as this time they have far fewer and much weaker weapons at their disposal due to the subprime CDO debacle and credit crunch. We sincerely hope and believe that this time relentless physical off-take will blow the cartel right out of their collective "shorts" (pun intended) that the large commercial shorts will implode and that gold will explode.

Gold and silver both had an outstanding day on Monday, while the XAU and HUI held steady and were virtually unchanged. Spot gold rocketed from 710 to 720 early on, thereby continuing to close in on the May, 2006 high somewhere between 728 (floor) to 732 (electronic), and ended the session up 6.10 with a close of 714.70.

The London PM fix was pushed up from Friday's 716.35 to 719.00. Silver has started to perk up, exploding, from about 12.55 to about 12.77 before ending up .18 to close at 12.72, this time outperforming gold substantially. So some of silver's luster has returned, but the ratio of gold to silver is still 56 to 1. This may explain the drastic lowering of shorter-term silver lease rates as a vain effort to manipulate and

prevent silver from exploding. The XAU closed at 158.35, up .35, and the HUI closed at 365.41, down .12. Oil futures had a banner day in the October contract setting yet another all-time high close of 80.57, up a whopping 1.47, adding yet another reason for PM's to explode. If we get a .5% rate cut, gold will take off like an ICBM (intercontinental ballistic missile).

Early Tuesday most everything was in the plus column. Surprisingly the star of the day was gold, up \$4.40, followed by silver, up \$0.19 and copper unchanged. The Dow was +15, S&P +8, Nasdaq +22, and the FTSE +60 Dow points. The CAC was up 2 and the DAX +13. The yen was -0.8, the euro +.0008 and the pound - .0004. The 2-year Treasury bill was 4.07% and the 10's 4.47%. Oil was +0.39, gas +\$0.03 and natural gas +\$0.03.

September 18, 2007, the day the US dollar died. Let the eulogies begin as we prepare to bury the dollar. In what can only be described as a complete capitulation by the Fed to the criminals on Wall Street, the Fed lowered not only its funds rate by .5%, exceeding expectations, but again lowered its discount rate by .5% to keep the funds-discount rate spread at .5% in an attempt to stop spikes which might occur in interbank loan rates due to mistrust and a lack of confidence in credit markets. The dollar, upon hearing this horrific news, suffered a myocardial infarction, clinched its chest and died. Efforts at revival have failed and the dollar has expired for all intents and purposes but for the fact that manipulation by the PPT and the Fed is keeping it going artificially on life support systems. The heart may still be beating, but the dollar is now brain-dead, and so is the Fed. The dollar was taken to the woodshed for a whoopin' it will never forget before suffering its painful myocardial infarction. The spot USDX closed down a whopping .511 to close at 79.209, and went as low as about 79.1 before beginning to recover. It will be going much lower in the future. Adding insult to injury, Venezuela announced yesterday its decision to trade in euros and Asian currencies instead of the dollar. The flight out of the dollar will now begin in earnest as everyone runs for the door at the same time. This could get really ugly.

You could see this latest move by the Fed coming, what with the 40,000+ level of OI for USDX futures, the plummeting of short-term gold and silver lease rates and a major hit on gold and silver just prior to the Fed announcement, the moratorium on gold shorts which began last Friday and continued into Monday, plus a bonus weakening of the yen to give the markets an extra boost when the announcements came. All the signs were there, but even we were a bit taken aback by the degree of the Fed's capitulation. Gold will eventually explode past the Einstein-De Sitter boundary at the farthest visible outer limit of the universe. It is now only when, not if.

The Wall Street Pirates struck the Stars and Stripes on the flagpoles adorning their office buildings and raised the Jolly Roger in celebration of the new booty they will receive as the party of speculation and profligacy is allowed to rage on for a short while before they are all caught and hanged or made to "walk the plank," financially speaking, following the collapse of the world financial system that will ensue in the not-to-distant future. Naturally, pirates are generally too intoxicated to think about the consequences of their actions. May we suggest that they use some of their newly found credit to invest in companies specializing in the recovery of bodies, particularly those operating in the area of the East River, as those companies will become quite profitable when the drug lords, crime bosses and international criminals start to express their "appreciation" for the billions they will lose in the upcoming debacle which they will have been assured could never

happen. Even if you do not get to enjoy the profits from such an investment, we are sure that your estate will.

So where do we go from here? Due to the rate cuts and the lower interest rates they will engender, we will now see some relief from declining corporate profits, perhaps a few new hires and a little extra growth, perhaps a few mergers and acquisitions might be saved and perhaps a handful of homeowners and buyers will be able to refinance or make a purchase that they otherwise might not have been able to do. But how is that going to improve the situation? This is simply way too little way too late. The damage was done in and has been ongoing since 1992, which is when all of these problems should have been addressed.

Things that will not change are the number of adjustable rate mortgages that will reset; the continuing inability of most creditors to determine which companies are at risk from the ABCP/ABS/CDO, Alt-A, Subprime, credit-crunch contagion due to the lack of regulation and transparency of banks, hedge funds, investment banks, rating agencies and other corporations, a lack which was foolishly promoted by the Fed; the need to mark CDO's and other structured investments to market instead of to model; the reassessment of risk which will only be moderately tempered by lowered rates as actual experience, and not artificially lowered rates, is given preference in assessing risk; the lack of trust in US CDO's and other such SIV's (Structured Investment Vehicles) by foreigners who were intentionally and royally screwed by the Fed acting in concert with Wall Street and the SEC; the hidden dead or bleeding financial bodies, like Northern Rock, Countrywide, Fannie, Freddie, IKB, Barclay's and a bevy of banks, investment banks, brokers, hedge funds and others yet unknown; the collapse of the real estate market; the acceleration of defaults and foreclosures; the loss of profits that has already occurred due to the credit crunch and inflating commodity prices; the ongoing inability to refinance commercial paper; the monumental inflation built into the system already due to a sea of money and credit provided for the past four or more years and the hundreds of billions used recently to bail out credit markets; and a host of other problems which remain untouched by the decrease in the rates announced by the Fed.

Things that will get worse are the ongoing decline in the dollar and the flight there from by virtually all dollar surplus-holding nations; the added cost and lost profits caused by escalating commodity prices as their producers try to keep up with inflation built into the system and caused by the decline in the dollar; the amount of foreign investment in US treasuries and other dollar-denominated investments due to declining rates of return which will put further pressure on the dollar; the ongoing effort to reassess risk (i.e. the ability to impose a penalty for being stupid), which will deteriorate due to the softening of rates, thereby re-igniting speculation and financial profligacy; the growing inability to finance the trade deficit due to a growing lack of investment demand for dollar-denominated assets again caused by lower rates of return; the inflation caused by rising prices of foreign exports due to the importation of the inflation which we originally exported, all due to the decline in the dollar; and a host of other problems which will be exacerbated by the Fed's rate cuts.

Large specs should now load up on protective derivatives like long-term stock index puts and yen calls to protect against yen hits on gold and the upcoming financial devastation. Keep buying these derivatives daily as the markets are elevated by the PPT. What a great opportunity to protect your gold positions. PM's and their related stocks will also get a boost as the stock markets are manipulated upward. The yen will likely be weakened to support markets and make it look like

they are reacting positively to the Fed's decision. The professionals know the Fed's moves won't work. It's just another Band-Aid.

Well, enough of all this foolishness. Let's talk about gold and silver. Gold has now been unleashed and nothing can stop it. We would be hard-pressed to come up with a more bullish situation. The fact that it came courtesy of the Fed is simply shocking. We are more than a little bit stunned - and delighted. How fitting that the very entity which has fought so hard to suppress gold has just given it its greatest boost ever. The lack of regulation and transparency has come home to roost and the Fed caved in. Spot Gold did magnificently even before the Fed's announcement, driving inexorably upward from 715 to 721, and was then attacked by the cartel bringing gold down to close at 715 where it started. Then came the incredible Fed announcement. Well you would have thought the gold bulls were released like the bulls of Pomplona, Spain in the Running of the Bulls! In electronic trading in the aftermarket the December gold contract exploded like it was shot out of a cannon, taking out the 2006 electronic high of 732 for the most active contract, reaching 735.50 before pulling back, thereby leaving only the 1980 peak for a challenge. Spot gold rocketed from its 715 close to as high as 726 or 727 depending on which site you were watching, before pulling back slightly into the 720-724 range to consolidate its gains, coming within a few dollars per ounce of its 2006 high of about 730. Spot silver, which is starting to heat up again and outperform gold, had an explosive run from 12.72 to 12.95, and was also attacked by the cartel, closing at about where it started just like gold. After the Fed announcement, the silver bulls took off after the gold bulls, running all the way to just over 13 before pulling back to the high 12.90's to consolidate its gains. The XAU and HUI have both broken out above their 2007 highs, closing at 164.78 and 378.35, respectively, both gaining substantially more than the Dow, despite its 335.97 gain to close at 13,739.39, and both also outperforming the S&P and the Nasdaq. The PM stocks are supporting gold and silver nicely in another disciplined rally. Further helping gold and silver was oil, which set yet another all-time record of \$81.51 per barrel for the October futures contract as oil continues on a tear, driven by inflation and a weak dollar, as well as the hurricane season. We are now "cooking with gas" (or should I say - oil!)

We hope the members of the cartel had those adult-size Depends diapers ordered by their office managers like we suggested in our last issue because they are going to need them.

Different Patterns

By: Theodore Butler

<http://news.silverseek.com/TedButler/1190133634.php>

CANADA

Canadians sold C\$1.5 billion in mutual funds in August. It was the first month in almost three years that fund redemptions outweighed net purchases. In July, net purchases were C\$3 billion. Much of the withdrawal can be traced to fear that the funds may have been exposed to the US subprime mortgage market.

EUROPE

Joachim Meisner, a German Cardinal from Cologne, has sparked outrage by warning that modern culture is at risk of descending into “degeneracy” – a term that is strongly connected with the persecution of artists by Nazis.

European finance ministers and central banks decided last weekend against establishing fixed rules in advance on how to bail out banks, or other financial institutions that have cross border operations in the EU. They left unanswered the question of how, if at all, the governments and taxpayers of different EU member states should share the cost of rescuing a bank active in many countries. There are 46 cross-border banking groups in the EC, and 21 of those have significant operations outside their home country. They accomplish nothing because the banks don't want more regulations and they want to be free to continue to loot their customers.

Polish August average wages rose 10.5% yoy.

The Eurozone trade surplus decreased to 4.6 billion euros from 7.8 billion in June.

Finnish August PPI fell 0.5% from July but was up 1.8% yoy.

France has again been a stalking horse for the Washington neocon administration. Foreign Minister Bernard Kouchner says, “The world should brace for a possible war over the Iranian nuclear crisis, but we should seek a solution through talks and that they should take the priority.” He said we wanted France to approach the EU to prepare sanctions against Iran, outside the ambit of the UN Secretary Council, to force Iran to forsake its nuclear ambitions.” Our good friends the German's suggested that.

One of the big questions of the credit crunch is will it force banks to take back up to \$1.66 trillion in debt on their balance sheets if investors are unable to finance it, said the Dutch Central Bank.

France's PM Nicolas Sarkozy, who is Zionist and a strong backer of Israel, has called for the EU to oppose a nuclear Iran. He has elevated the possibility that Iran may be building a nuclear device into the worst crisis facing the world today.

Greece's conservative PM, Costas Karamanlis, has won reelection with a diminished majority in Parliament after a financial scandal and raging forest fires that killed 65 people last month. The slimmer majority could make it harder for the government to carry out crucial economic and educational overhauls, including addressing Greece's fractured and debt-ridden pension system. Karamanlis, 51, is the youngest PM in Modern Greek history. The economy has done well and the voters are pleased. Karamanlis studied law and diplomacy at Tufts College in Somerville, MA, which is an elitist enclave at the Woodrow Wilson School of Diplomacy, which was 6-doors away from where I grew up. Thus, you can expect neocon policy sprouting from Athens.

At the very least the Serbian policy of George and the neocons will introduce a new era of Serbian isolation and hostility toward the West, leaving Europe with little influence in the region. In addition, the EU has made Serbian entry very difficult. The EU has tried to integrate Serbia into NATO as long as they chased down Serbian “war criminals.” Serbia complied only fitfully. The comment now is, if the West recognizes Kosovo then we do not need the European Union. It means they are not our friends. It is a tough choice, but Serbia has its pride and integrity. Needless to say, if Kosovo is recognized by the US and EU, there would be no further cooperation in finding alleged war criminals. The relationship with Russia would probably grow much stronger. It is very hard for Serbs to forget the 78-day bombing campaign they had to endure. The West wants Kosovo as a state in order to use it as a geopolitical springboard in the future, as an effort to outflank Russia.

We see no hope of a Serbian-Kosovo deal. Independence could well lead to warfare. Kosovo is part of Serbia and once hostilities began they will be very difficult to end. This is dreadful neocon foreign policy.

ENGLAND

Northern Rock, the mortgage bank rescued by the BofE, could see as much as \$24 billion, or half of its deposits, withdrawn by worried savers. Although Northern Rock is solvent, many people have been gripped by the fear that they may lose some of their savings. Banking is about confidence and that has gone from Northern Rock, who might now have to remove their name from the jerseys of the local premier league Newcastle soccer team.

Backbench MPs and economics experts are criticizing the BofE for failure to avert the crisis. It is not the job of the BofE to impose tougher risk controls when times are good. Nor is it the job of any central bank to bail out any lenders. If they do that they are just encouraging speculation. It doesn't matter what the size of the lender is, they should be made to pay for their mistakes. The former building society used to account for 2% of the total mortgage market a decade ago, but its share now is 9%. In the first half of the year they wrote 20% of all mortgages for up to 125% of the property value for first time buyers. That is even worse than in the US. The BofE knew exactly what they were doing, but it was more important that the economy was running at an optimum, as Treasury Secretary, now PM Gordon Brown, presided over a huge expansion of public and private debt without showing awareness of the risks involved. Brown knew exactly what was going on and encouraged it. Brown and King are encouraging moral hazard and that is not necessary. The next step behind the scene is for the BofE to find buyers for a company. If sold off it will be in pieces to other big banking interests.

Workers average earnings grew 3.5% in July, up from 3.4% in June. Unemployment dropped 0.1% to 5.4%. The number claiming benefits fell by 4,200 to 852,900 in August.

The squeeze on public sector pay growth was especially marked, with earnings including bonuses rising just 2.9% in the second quarter including bonuses, public sector wage growth dropped 0.4% to 2.7%, the lowest level since May 1998.

Inflation eased to 1.8% in August from 1.9% in July, the lowest level in more than a year. We do not believe these figures.

The Bank of England made emergency loans to UK banks to bolster the financial system, saying it received "intelligence" that demand for money may prolong a surge in overnight borrowing. The overnight rate to borrow in pounds soared 60 bps to 6.47%.

ASIA

India's external 2006/2007-debt rose 22.6% to \$28.5 billion.

HEALTH

WHY AM I TIRED?

Several things can cause us to feel fatigue or overtired and finding out why we are tired can drive us crazy. Feeling tired on a regular basis is affecting 300 Million Americans. Several countries report an epidemic of fatigue such as China and India with cases in the billions. The countries where people have the least fatigue are Monaco and Liechtenstein with 33,000 and 32,000 annual cases. Before you grab a java refill, take a look at what some of the culprits causing fatigue could be.

“Nothing is so well calculated to produce a death-like torpor in the country as an extended system of taxation and a great national debt.”

William Cobbett, British Journalist (1762-1835)

SOME CAUSES

The possible causes of continuous fatigue are numerous; sleep deprivation, stress, bacterial infection, yeast infection, obesity, overeating, lack of regular exercise, dehydration, heart condition, medications, thyroid disease, blood sugar imbalance, anemia, menopause, continuous audio stimuli, irregular work schedule, constipation, sleep apnea (lack of oxygen during sleep), diet, cancer, various other life-threatening disease (*such as taxes*).

“The only difference between death and taxes is that death doesn't get worse every time Congress meets.” Will Rodgers, American Humorist (1879-1935)

THE COSTS

Fatigue is so bad in the US that 20% of fatal road accidents involve driver fatigue, which costs \$3 billion annually. In China and India where fatigue is highest, you have communism and the very poor. If we take a look at the countries with the lowest fatigue we see Monaco invested in nonpolluting industries, has no state income tax, very low business taxes (making Monaco a perpetual tax haven), high standard of living for everyone and 0% unemployment. (*OK, someone call a realtor and put a for sale sign in my yard.*) The other country with low fatigue is Liechtenstein. Again, we see prosperity with a free-enterprise economy, low tax rate (privately and for businesses), high standard of living, unemployment between 2-3% and with a highly modern infrastructure connecting Liechtenstein to all of Europe. So, is fatigue connected to tax rate and our economy? It could be a major contributing elements and the fact that Europeans take more time off from work to relax than Americans cannot be left out of the mix.

“There is one difference between a tax collector and a taxidermist -- the taxidermist leaves the hide.” Mortimer Caplan

WHAT TO DO?

Well before we sell the house, pack the kids onto a transatlantic flight and take French or German lessons, we should do all we can to address fatigue now. Lifestyle corrections may be necessary to limit the physical and emotional stress we now feel, which may contribute to fatigue. For “disease fatigue” (fatigue caused by disease) the cleanse and nourish program is going to be what I would do. Remove the toxins; heavy metals, pharmaceuticals, pesticides, herbicides, food preservatives, radioactive particles and all the other stuff your body doesn't need to hold onto. While you do that, put good (really good) whole food nutrition into the body to help cells regenerate and heal. You will be amazed at how fast your body responds with the cleanse and nourish program. How do you do this program? Do all the organ cleanses; the bowel, urinary tract, liver & gall bladder, and blood stream (in this order for your safety). For whole foods, avoid the convenience (pre-packaged & fast foods) and eat foods with no processing. Use the **Body Foundation Food Mix** to help supercharge your energy level with single-cell plant food with iron, protein, amino acids, vitamins, minerals and very few calories. Visit **Apothecary Herbs 866-229-3663, International callers 704-875-8010** <http://www.thepowerherbs.com> and click on “Organ Cleansing” to find out how to get started and what tools you will need to beat fatigue. You will also find

several concentrated herbal liquids for cardiovascular, blood sugar, thyroid, stress, anxiety, depression and sleep to give you the winning edge. Look for Heart& Blood Pressure Formula, Diabetic Formula, Black Walnut Tincture, Emotional Stress Formula, Valerian Root Tincture and Relaxation Formula. Call now for your free product catalog at Apothecary Herbs 866-229-3663, International 704-875-8010.

“I don't know of a single foreign product that enters this country untaxed, except the answer to prayer.” Mark Twain, American Humorist (1835-1910)

WHAT'S NEW AT APOTHECARY HERBS?

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WENDY WILSON'S HERB TALK LIVE RADIO SHOW ARCHIVES - Herb Talk Live is Internet streamed on www.gcnlive.com every Saturday 7-8:00 am EST. Weekly short-wave; Thursday WBCQ 4:00 p.m. rebroadcasts at 11:00 p.m. on 7.415. American Voice Radio Tuesday & Thursday 7:00-8:00 pm EST (pod cast, DSL, satellite). Radio archives also at <http://www.thepowerherbs.com>. Be well – Herbalist, Wendy Wilson

17-YEAR OLD TO BE FORCED TO UNDERGO CHEMO:

http://www.democracyinaction.org/dia/organizationsORG/healthfreedomusa/blastContent.jsp?email_blast_KEY=1077060

NEXT ISSUE
SATURDAY, SEPTEMBER 22, 2007

ILLEGAL ALIEN AMNESTY THREAT NOW!

Sen. Dick Durbin (D-IL) has introduced the DREAM Act Illegal Alien Amnesty of 2007 (formerly S. 774) as an Amendment to the FY08 Department of DEFENSE Authorization Bill (H.R. 1585)!

It will likely be debated and voted on THIS WEEK!

This "DREAM" Act would Amnesty ALL Illegal Aliens who merely CLAIM they entered the USA before they were 16, and CLAIM that they meet certain minimum educational requirements! It is one of the Silver Bullet Amnesties BALANCE warned about in our previous Alerts.

This Amnesty is unlimited and could potentially Amnesty nearly all the twenty million plus illegals in the USA because it is UNCAPPED and would rely merely on the Illegals' CLAIM that they entered the USA before they were sixteen, which they could CLAIM they did 20 or 30 or 40 years ago (Once amnestied they could bring their parents and children too)!

Durbin and other Open Borders Senators are also likely to try to sneak in massive increases in H-1B and H-2B Visas, which would take even more jobs away from American workers!

Fight back! We must not let the Open Borders Lobby sneak their Illegal Alien Amnesties through, incrementally or in their entirety.

Act Now:

- Phone, fax and visit your Senators and Representative tell them NO! to the DREAM Act Amendment (SA 2237) of 2007.
- Tell them NO! on any and all Illegal Alien Amnesty Bills or Amendments.
- Tell them to vote NO on any H-1B or H-2B Visa Increases!
and it is very important to tell them to
- Sponsor a zero-net-immigration Moratorium on legal immigration as do BALANCE and its ASAP! Coalition Allies.

Pushing a Moratorium is CRITICAL because it defeats the Open Borders Senators' argument that "The solution to the Illegal Alien problem is to legalize them all!" Only by PUSHING a Moratorium can we expect to get even incremental reductions, because PUSHING a Moratorium calls the whole enterprise of Mass Immigration into question.

Support BALANCE's efforts today

Visit our website at www.balance.org <<http://www.balance.org/>>

Population-Environment Balance

2000 P St NW

Suite 600

Washington, DC 20036

Important Note: Send faxes from your home or Office fax since Faxes sent from the same or associated numbers can be blocked by Congressional Office Software.

9/11 Explains the Impotence of the Anti-war Movement

By Paul Craig Roberts 09/14/07 "ICH" -- -The anti-war movement has proven impotent to stop the war in Iraq despite the fact that the war was initiated on the basis of lies and deception. The anti-war movement stands helpless to prevent President Bush from attacking Iran or any other country that he might demonize for harboring a future 9/11 threat.

<http://www.informationclearinghouse.info/article18391.htm>

The history of US aid to Israel:

http://www.wrmea.com/archives/July_2006/0607016.html

HIGH-TECH SECURITY VISAS SOLD ON MEXICAN BLACK MARKET

<http://www.newswithviews.com/Kouri/jim110.htm>

Jim Kouri, CPP September 16, 2007 NewsWithViews.com

United States immigration and State Department officials fear that their newly developed, high-tech visas are being sold on the Mexican black market. The US government hoped the newly designed visas would help in curtailing rampant illegal immigration at the Mexican border, but investigators believe many of them are being bought or rented by Mexicans seeking illegal entry into the US.

Conservatives and Liberals... aka Conquer and Divide

By Nancy Levant

What does it mean to be "conservative?" What does it mean to be "liberal?" Furthermore, who invented the contemporary definitions of political conservatism and liberalism? I will tell you who defined them – your television sets and their talking heads, which are owned, operated, and forced to say what their elite owner's pay them to say. Hence, you now have 2 political parties, which have been totally "re-created" by corporately owned media to 1) relay to you your political opinions, and 2) to insist upon your political illusions. Herein lies the problem; you don't really know or understand your political opinions, as they have been "manufactured" for you for decades. Furthermore, there is not one iota of difference between Democrat and Republican ideologies. Our belief in ideological differences has played us like cheap violins AND grew and implanted the one-world government directly beneath our nation and noses.

One of the primary orchestrated and implanted scams that pulverized the American person, American nationalism, and the power of the American vote was and is abortion. This issue split the traditionally religious from the non-religious and turned citizens on both sides of the issue into haters. It also put all women into precarious

political positions. No one likes or approves of abortion unless, of course, their daughter is raped and impregnated by a beast. Right suddenly, the legal right to abortion comes to the forefront of the soul and religious belief. Decisions to be made are painful, soul-searching decisions. But even barring all this, the fact that the abortion issue turned "the 2 sides" into opposing haters is factual. The "right" to abortion was a perfect divisibility ploy both religiously and politically.

What is disturbing to me is how people can rage against abortion, and at the same time totally ignore and refuse to read Agenda 21, The Earth Charter, etc.; to understand sustainable development, traitorous governance, the current and systematic biometric corralling of mankind; to hand their children to public school mental health and profiling pharmaceutical centers, and know that billions of animals have been (and continue to be) slaughtered by "humane" societies in every burg in the nation. I guess we call this selective morality.

Another orchestrated scam that pulverized our national sensibility was and is the issue of immigration. This is, by the way, a masterful scam. As America historically welcomed the poor and huddled masses, and was exemplified by its acceptance of all people from all nations, religions, and creeds, and as America the beautiful was built by people from different nations and religious backgrounds, the current immigration issue is extraordinary, indeed!

Are you conservative or liberal if you allow America to accept all foreigners and help them get started? This used to be America's MO. Are you conservative or liberal if you want all borders closed and foreign immigration to cease and desist? Are you conservative or liberal if you want to secure the homeland from the "terrorism" you are told is rampant and bankrupted our nation, while our national borders are not only held open for all terrorists and criminals, but are also being discreetly dismantled? See the Inter-American Democratic Charter, adopted in Peru on **September 11, 2001**, for details (www.oas.org <<http://www.oas.org/>>). The media somehow missed this story.

Or how about the orchestrated scam that is working furiously at crumbling our national solidarity called devious and elite-manufactured environmentalism? Are you conservative or liberal when it comes to the melding of the Biosphere Reserves in the U.S. – the ones that are surrounded with "conservation corridors," and then re-surrounded with "buffer zones?" And as these Biosphere Reserves, their conservation corridors, and buffer zones begin to physically overlap, and as we the people are no longer allowed to buy these lands or occupy these Reserves, corridors, or zones, are you a conservative or a liberal when you discover that your physical nation is being bought up and taken from you and administered by global organizations, their global eco-partnerships, land trust organizations, regional commissions, and NGO facilitators?

And are you conservative or liberal when you discovered that your elected representatives treated, chartered, compacted, executive ordered, and signed Memorandums of Understanding decades ago that gave birth to the system that allows foreign entities and global corporations to purchase the largest land tracts and watershed systems in our nation? And when you discovered that the United Nations has called for the global control of ALL planetary water AND has called for the permanent end of ALL private ownership of property – stating specifically that all land

and water should be owned and controlled by global governmental entities, tell me...are you then a conservative or a liberally-minded person?

When you discovered that all global Biosphere Reserves, their conservation corridors, and buffer zones are ALL bubbling above AND beneath their surfaces with oil, natural gas, coal, copper, lead, molybdenum, platinum, palladium, phosphates, uranium, bauxite, gold, iron, mercury, nickel, potash, silver, tungsten, zinc, petroleum, fresh water, and/or forest timber - the most valuable natural resources on the planet - what affect did that knowledge have on your conservative or liberal values?

And then there are the public schools. Are you a conservative or a liberal as you shell out more and more money to fund the deliberate intellectual destruction of American children? Does forcing sexual curriculum and social/emotional questionnaires upon your elementary and secondary-aged children create and support your conservative or your liberal superiority? AND the Medicaid-school-big Pharma partnerships that guarantee schools do everything in their power to get your child addicted to drugs in exchange for Medicaid school funding; do these facts support your conservative values or your liberal values?

As you might decide to realize, we the people have a very serious problem with our "opinions" and ourselves. We don't know what has happened in our nation, while our conservative AND liberal "elected" are dismantling our nation and our form of government directly beneath our noses. And all the while, we proudly boast of our "conservative values" or our "liberal values." This is the biggest joke of all, and we are not only the brunt of the joke, we are forced to PAY for our nation's dismantling, PAY for Communitarian social systems to overtake our nation, and at the same time are the actual victims of our insane ignorance. No wonder our Red and Blue leadership and candidates are always smiling.

Anyone who continues to support Democrats or Republicans EVER AGAIN is not only a fool and an ignoramus, but also a fully brainwashed and manipulated tool for the globalists and their specific intentions to take down OUR nation. And mark my words - all you conservatives and liberals – you will live to see the day when you will never again be a conservative or a liberal-minded person. You will live to see the day when you are told what your opinions will be in exchange for food, housing, and water. You will be told that you are a Communitarian or you are an enemy of the "common good," which is the ultimate goal of Communitarianism and its corporate profit. You will live to see the day when the Constitution is first suspended via Martial Law, and then kicked to the curb and replaced with the Communitarian Manifesto – aka the new and improved global Communist Manifesto.

Under both Bush's and Clinton, the quintessential conservative and liberal manipulators, we have lost the most valuable landmasses in our nation. Nearing 90% of the Great Lakes region, 90% of Alaska, nearing 90% of the American West, the Appalachian Range rapidly following suit, and ALL coastal regions and major rivers and watershed systems in the United States, where, at best, only deed-restricted living is now permitted. We are literally losing our ENTIRE physical nation to FOREIGN controllers, who are bankers and corporations. AND these same people hold ALL of America's debt – ALL of it. We are a purposefully bankrupted nation with no industry left to repay these globalist debtors. They are taking our physical and

cultural nation in repayment, and this is a direct result and corporate deal of our Democratic and Republican Party leadership and their loyalty to global wealth, wheeling, scamming, and academic deception.

American people, we have to unite, in mass, against this machine. To hell with conservatism or liberalism! We have got to stop feeding our egos with these "manufactured" labels that were specifically created to divide us AND OUR POLITICAL POWER TO CONTROL OUR ELECTED! If we don't tell them, together, and in one voice, to step down, then we are going to serve Communism in the United States. We are going to be Communists called "Communitarians," which is the sugarcoated term for Communist slaves. If you can't see the writing on the wall and the land masses now administered by the United Nations (World Heritage Sites and Biosphere Reserves), then you are literally blind and out of your minds. If you can't see the nightmares in the public school system – the one's permanently destroying your children's potential and their futures – then, again, you are literally out of your minds.

The next "catastrophe" will be the final catastrophe for the united States of America. WHEN Martial Law is declared in this nation, and all systems are "go" for that decision to be made, it's over, folks. **Remember that we are already in a DECLARED state of emergency:**

"Consistent with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing for 1 year the national emergency I declared on September 14, 2001, in Proclamation 7463, with respect to the terrorist attacks at the World Trade Center, New York, New York, the Pentagon, and aboard United Airlines flight 93, and the continuing and immediate threat of further attacks on the United States.

Because the terrorist threat continues, the national emergency declared on September 14, 2001, last extended on September 5, 2006, and the powers and authorities adopted to deal with that emergency, must continue in effect beyond September 14, 2007. Therefore, I am continuing in effect for an additional year the national emergency I declared on September 14, 2001, with respect to the terrorist threat.

This notice shall be published in the Federal Register and transmitted to the Congress.

GEORGE W. BUSH

We will never again get back our nation, our constitutional freedoms, and civil/human rights. From that point on, the globalists WILL take over, and we will very soon become their biometric victims. Then see what your conservatism or liberalism will do for you. By then, your right to any opinions, whatsoever, will be permanently eliminated. If in doubt, read history or, better yet, read Beverly Eakman's *Chronicles*, October, 2004, pp 28-29, which report:

"In Aug., 2003, the **National Institute of Mental Health (NIMH) and the National Science Foundation (NSF)** announced the results of their \$1.2 million tax-payer funded study. It stated, essentially, that traditionalists are mentally disturbed. **Scholars from the Universities of Maryland, California at Berkeley, and Stanford had determined that social conservatives, in particular, suffer from**

‘mental rigidity,’ ‘dogmatism,’ and ‘uncertainty avoidance,’ together with associated indicators for mental illness.”

Here’s the future of your opinion, your conservatism, and your liberalism. ***If you disagree with the machine, the machine will diagnose you, medicate you, and/or place you in a receptacle or center or cell or camp where you won’t influence anyone.*** If traditional opinions are now diagnosable via "scholars" whose "research" is funded by globalist philanthropic groups and their corporations, then we are all in very serious trouble – conservatives and liberals, alike. Anyone who disagrees with the world’s most wealthy and elite globalists is slated for physical and/or pharmaceutical "retention" in one way or another. You will also find this same "scholarly" system operating in every public school in the United States, thanks to Bush’s New Freedom Initiative on Mental Health.

Better wake up and smell the vast criminal enterprise. Your nation is being destroyed from within by your vote and your party loyalty. That 2-Party loyalty has rapidly, and very systematically, all but destroyed your Constitution and your Constitutional rights. ***The Republican Party AND the Democratic Party ARE the Globalists.*** They are UNITED in missions that mandate ending private property rights, voting power, free markets, small business, parenthood and reproductive rights, religion, career choice, higher education for the masses, individualism and creativity, pet ownership, gun ownership, opinion, mobility or, people, in translation: YOUR FREEDOM.

<http://www.iht.com/articles/2007/09/13/news/econ.php>

Dollar's retreat raises fear of collapse

By Carter Dougherty

Published: September 13, 2007

FRANKFURT: Finance ministers and central bankers have long fretted that at some point, the rest of the world would lose its willingness to finance the United States' proclivity to consume far more than it produces - and that a potentially disastrous free-fall in the dollar's value would result.

Congressman Ron Paul (R-Texas) is the leading advocate for freedom in our nation’s capital. As a member of the U.S. House of Representatives, Dr. Paul tirelessly works for limited constitutional government, low taxes, free markets, and a return to sound monetary policies. He is known among his congressional colleagues and his constituents for his consistent voting record. Dr. Paul never votes for legislation unless the proposed measure is expressly authorized by the Constitution.

<http://www.ronpaul2008.com/issues/>

The Sunlight Rule

By: Ron Paul

Supreme Court Justice Louis Brandeis famously said “Sunlight is the best disinfectant.” Indeed some of the most malignant growth of our government has been nurtured under a cover of darkness.

Literally, in the dark hours of the morning at the end of the year, it has become tradition for the Appropriations committee to rush the famous omnibus bill to the floor for a vote, mere hours after it is introduced. The vote took place at 4 am the last time an omnibus spending bill was before us. We had all of 4 hours to deliberate on almost 1400 pages of important legislation. My colleagues somehow found this acceptable, however, and the bill passed 212-206.

<http://www.24hgold.com/viewarticle.aspx?langue=en&articleid=171272> The Sunlight Rule Dr. Ron Paul

THOMPSON SURGE MEANS CONSERVATIVES ARE DESPERATE

By Pastor Chuck Baldwin

September 14, 2007

NewsWithViews.com

<http://www.newswithviews.com/baldwin/baldwin398.htm>

IT'S EASY TO BOMB IRAN

<http://www.newswithviews.com/Devvy/kidd303.htm>

By: Devvy September 17, 2007

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Please contact your Senators right away and ask them to place a "hold" on S. 456 until such time as section 215 is deleted from the bill. You can use the Gun Owners Legislative Action Center at

<http://www.gunowners.org/activism.htm> to send your Senators a pre-written message by e-mail requesting they do so.

<http://www.gunowners.org/activism.htm>

INVASION USA

Taser ban for illegals blasted by Tancredo

New rule forces jails holding federal detainees to nix use of shock device to control inmates

http://wnd.com/news/article.asp?ARTICLE_ID=57662

Posted: September 15, 2007 - 8:15 p.m. Eastern

Amnesty Provision Attached to Defense Bill

Congress must block amnesty provisions introduced to the defense authorization bill for 2008 (H.R. 1585).

<http://capwiz.com/jbs/issues/alert/?alertid=10317511&type=CO>
